






Payroll Processes

QUICK REFERENCE GUIDE

Retirement – Incorrect Plan Selected




Note: If a change in plan incurs a large debt which would be a hardship for the employee, a reimbursement plan must be set up (Scenario 3). If the debt does not incur hardship on the employee it is to be withheld in the next cycle (Scenarios 1 or 2).

Scenario 1: Incorrect retirement on infotype 0014, Recurring Payments/Deductions: Retirement Type Changed but Was Not Changed in KHRIS



1. Use transaction PA30 and enter the employee personnel number.
2. Select the Payroll tab.
3. Select 0014, Recurring Payments/Deductions, and click the “Overview” icon. 
4. Select the record for the employee’s **Incorrect** Retirement wage type and click the “Change” icon.  (**note:** If the date of the record you want to change is prior to the current earliest retro-active date you must submit a business request to change the earliest retro-active date to the desired date for the employee before making the change to their retirement wage types.)
5. Change the “**To**” date of 12/31/9999 to reflect the last day of the payperiod prior to the change from the former plan to the correct one and select the “Save” icon.  (For example, if new retirement plan began 09/01/2011, the end date of the former record would be 08/31/2011).
6. Click the “Create” icon. 
7. Date the new record with the start date of the correct retirement type (this should be the day after the end date of the record that was just delimited) and select the correct Retirement wage type. The end date should be 12/31/9999.
8. Click the “Save” icon. 
9. This must be repeated for the state’s employer contribution also. The contributions will be retroactively corrected on the next payroll.





Scenario 2: Incorrect retirement on infotype 0014, Recurring Payments/Deductions: Retirement Type Set Up Incorrectly Originally

1. Use transaction PA30 and enter the employee personnel number.
2. Select the Payroll tab.
3. Select 0014, Recurring Payments/Deductions, and click the “Overview” icon. 
4. Select the record for the employee’s **Incorrect** Retirement wage type and click the “Change” icon.  (**note:** If the date of the record you want to change is prior to the current earliest retro-active date you must submit a business request to change the earliest retro-active date to the desired date for the employee before making the change to their retirement wage types.)
5. Change the **Retirement Wage Type** from the former plan to the correct one and select the “Save” icon. 
6. This must be repeated for the state’s employer contribution also. The contributions will be retroactively corrected on the next payroll.


Scenario 3: Hardship for Incorrect retirement plan: this step prevents retroactive adjustment on the next payroll from leaving the employee with zero or negative pay and allows the employee to pay back the Retirement contribution due over time, tracking the payments (IT0014) against an outstanding balance (on the IT0015).

1. Once the correction is made as described in Scenario 1 or 2, create an infotype 0015 record. Select 0015, Additional Payments, and click the “Create” icon. 
2. Enter wage type **3016** (Hardship adjustment) and date the record for the first day of the next pay period to process. Enter the value of the hardship for the employee in the **Amount** field and click the “Save” icon. 

Note: This will add the amount of the overpayment back to the employee so there is no negative or zero pay.

3. Create an infotype 0014, Recurring Payments/Deductions, record. Select 0014, Recurring Payments/Deduction, and click the “Create” icon. 
4. Enter the same date used in step 7 above for the **Start** date and use “**To**” date of 12/31/9999. Use wage type 666D (pretax reimbursement deduction) and enter in the **Amount** field the amount of the payment to be deducted each pay period and click the “Save” icon. 
5. Create an infotype 0015 record. Select 0015, Additional Payments, and click

the “Create” icon. 

6. Enter wage type 666B (**pretax reimbursement balance**) date the record with the same date used in step 7. Enter in the **Amount** field the amount due and click the “Save” icon. 

*Note: If the employee record has 2 plans, one would need to be deleted if it could not be delimited back to when it was valid.

Scenario 4: Incorrect retirement on Infotype 0014, Recurring Payments/ Deductions: Should not have been set-up with retirement; employee is not eligible.

1. Use transaction PA30 and enter the employee personnel number.
2. Select the Payroll tab.
3. Select IT0014 and click the “Overview” button.
4. Select the record for the employee’s incorrect Retirement wage type and click the Trashcan icon.
5. When the record opens click the Trashcan icon again.
6. This must be repeated for the state’s employer contribution also. The contributions will be retroactively corrected on the next payroll and added to the employee’s net pay, minus applicable taxes.